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March 4, 1967

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LEGAL INFORMATION STORAGE AND RETRIEVAL PROJECT

Gentlemen:

As you know, Mr. John Denniston of this firm is supervising for us the operation of the legal information storage and retrieval project. Today he reviewed with me and with Mr. Temko the current status of the developed revised course of that project.

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You will recall that assisting in this project there have been two Committees. The first is the Literature Committee, which has in general advised on indexing and abstracting of articles and on the criteria by which articles are selected for insertion into the system. The other is called the Computer Committee, which has advised us on the computer programming aspects of the project. Each of these Committees has had several meetings. Moreover, strenuous efforts have been made to insure that the work was going in accordance with their recommendations. (The detail of the checking is indicated in the enclosed bill.)

As you know from our report of January 25, 1967, the various changes suggested and revisions of the program have been fully discussed both to develop deeper indexing and a more useful system and yet at the same time keep the increases in cost as low as possible.

It now appears that the original target date of March 7, 1967 for an operating system comprehending 5000 abstracted documents will not met. During the past week difficulties have developed in the computer program portion of the project, and the Computer Committee is meeting Tuesday, March 7 to deal with that problem and to give to Systems Science Corporation, the subcontractor for 3i, the benefit of their advice. Essentially, the problems here reside in adapting the basic program for the IBM computer to the particular needs of this retrieval project. We were advised that over this weekend, the 3i people and Systems Science Corporation are working with IBM technical programmers to resolve these difficulties.

There is little point in detailing this aspect of the delay, but we are ~~con~~strained to report that we had been told all along that the programming operation was going smoothly and only earlier this week were these difficulties reported to us. Following very firm and detailed review with 3i, and after a full meeting here yesterday, it is hoped that this delay will not defer having the project in operational status for more than about a

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month. We will have a better indication of this after the Computer Committee reviews these programming problems.

On the abstracting and indexing part of the project, 3i has also fallen behind schedule, and the full 5000 documents will not be prepared until the end of March. In addition, 3i now tells us that they will have to exceed their \$167,000 estimate for doing this portion of the work by about \$25,000. 3i reports that this overrun has been caused by various changes made in their scanning and indexing procedures which have been requested by the Literature Committee.

Here, again, we did not receive any indication from 3i that the original cost estimates could not be met. Indeed, during the course of all of the meetings in which the abstracting and indexing has been discussed by the Literature Committee with the 3i people and Mr. O'Shea, nothing was ever said to indicate that the original cost estimates would be substantially exceeded in an amount of \$25,000.

Enclosed you will find a statement of the disbursements on this project during the period February 1 through February 28. The bill for these disbursements, and of this firm's fees, is being forwarded on a monthly basis and allocated in accordance with the letters of authorization of December 19, 1966.

We have also just received a 3i bill for \$49,537.59 covering its services for the month of February. When this bill is paid, the payments to 3i will total \$174,000, which is \$7,000 over the original estimate of \$167,000. 3i have now told us that their statement for March will not exceed \$18,000, which will mean that the total payments to have an operational program will probably come to about \$192,000.

Even recognizing that this is more and more demonstratively a pioneering effort, and further recognizing that the various Committees have spent a monumental

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amount of time and effort to get it on the right track initially, it is regretable that these delays and additional costs have developed. Mr. O'Shea, the Project Officer, is developing a detailed report for the Committee of Counsel, and this report will cover both the changes that have been required to be made and their relation to the additional estimated costs.

Moreover, in view of all of the circumstances, I have substantially reduced the standard fees for Mr. Denniston's time and have not included in our fees any of the reviewing time of Mr. Temko and myself.

As to the 31 bill, Mr. Denniston and I will pay the February bill of 31 only in the amount of \$42,000. As to the additional \$7,000 of that bill, representing the amount beyond the original \$167,000, we would appreciate your prompt authorization to pay the additional amount and also the March bill within the limits above detailed.

Very truly yours,



Enclosure

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